

WHAT IS CLAIMED IS:

1. 1. A method for collecting sales and/or use taxes on remote sales, said method includes the steps of:
 2. a) collecting by sellers information regarding remote sales made by buyers;
 3. b) calculating securely the correct taxing jurisdictions sales and/or use tax to be paid by buyers for remote sales;
 4. c) collecting by sellers from buyers the correct sales and/or use tax;
 5. d) transmitting by a seller to a taxing jurisdiction the aggregate totals of sales and use tax transactions; and
 6. e) collecting by a taxing jurisdiction the correct sales and/or use tax received by sellers.
7. 10. 2. The method claimed in claim 1, further including the step of: transmitting from the seller to the taxing jurisdiction a log of all sales and use tax transactions.
8. 11. 3. The method claimed in claim 2, wherein a seller is given notice that a taxing jurisdiction is studying its log of all sales and use tax transactions.

1 4. The method claimed in claim 3, wherein a seller may review the seller's log
2 of sales and/or use taxes collected before the taxing jurisdiction studies the
3 seller's log of sales and/or use taxes collected.

1 5. The method claimed in claim 3, wherein a taxing jurisdiction may access
2 the log of sales and/or use taxes collected only after specified time period has
3 passed.

- 60 6. The method claimed in claim 1, further including the step of:
61 reporting to the taxing jurisdictions the taxes that have been collected.
62
63
64
65
66
67
68
69
70
71 7. The method claimed in claim 1, further including the step of:
72 filing tax returns for sellers with the taxing jurisdictions for the taxes that have
73 been collected.
74
75
76
77
78
79
80
81 8. The method claimed in claim 1, further including the step of: identifying
82 potentially seller fraudulent behavior by running various checks of the segmented
83 information.

1 9. The method claimed in claim 8, further including the step of: identifying a
2 strange drop-off in the number of seller transactions in the segmented
3 information.

1 10. The method claimed in claim 8, further including the step of: examining the
2 history of seller transactions in the segmented account to determine seller trends.

1 11. The method claimed in claim 8, further including the step of:
2 comparing the transaction volume, dollar volume and transaction types relative to
3 other similar sellers.

1 12. The method claimed in claim 8, further including the step of: identifying an
2 inordinate number of cancelled transactions in the segmented transactions.

1 13. The method claimed in claim 8, further including the step of:
2 establishing watermarks for different types of businesses to identify an inordinate
3 amount of returned merchandise for a particular type of business.

1 14. The method claimed in claim 8, further including the step of: identifying
2 patterns that indicate that a seller may not be reporting the entire amount of
3 taxes collected.

1 15. The method claimed in claim 8, further including the step of: examining
2 cancelled transactions.

1 16. The method claimed in claim 1, further including the step of:
2 receiving responses from buyers indicating acceptance of the sale.

1 17. The method claimed in claim 1, further including the steps of:
2 purchasing by one of the taxing jurisdictions goods and/or services from the
3 seller;
4 transmitting from the seller to the purchasing taxing jurisdiction a log of specified
5 sales and use tax transactions; and
6 comparing the taxes charged by the seller for the goods and/or services
7 purchased by the seller with the log of transactions.

- 1 18. The method claimed in claim 17, further including the steps of:
 - 2 determining if the seller has reported the appropriate information to the taxing
 - 3 jurisdiction.

- 4 19. The method claimed in claim 18, further including the step of:
 - 5 establishing improper behavior by the seller when the information reported to the
 - 6 taxing jurisdiction differs from the information obtained by the taxing jurisdiction
 - 7 from the seller for the goods and/or services purchased by the taxing jurisdiction.

- 1 20. The method claimed in claim 17, further including the steps of:
 - 2 determining if the seller has reported all appropriate taxes to the taxing
 - 3 jurisdiction.

- 1 21. The method claimed in claim 17, wherein the taxing jurisdiction utilizes an agent
 - 2 to purchase the goods and/or services.

- 1 22. The method claimed in claim 17, wherein the taxing jurisdiction utilizes an alias to
 - 2 purchase the goods and/or services.

Wald

□ 9 9 3 8 2 6 □ □ 8 2 3 0 4